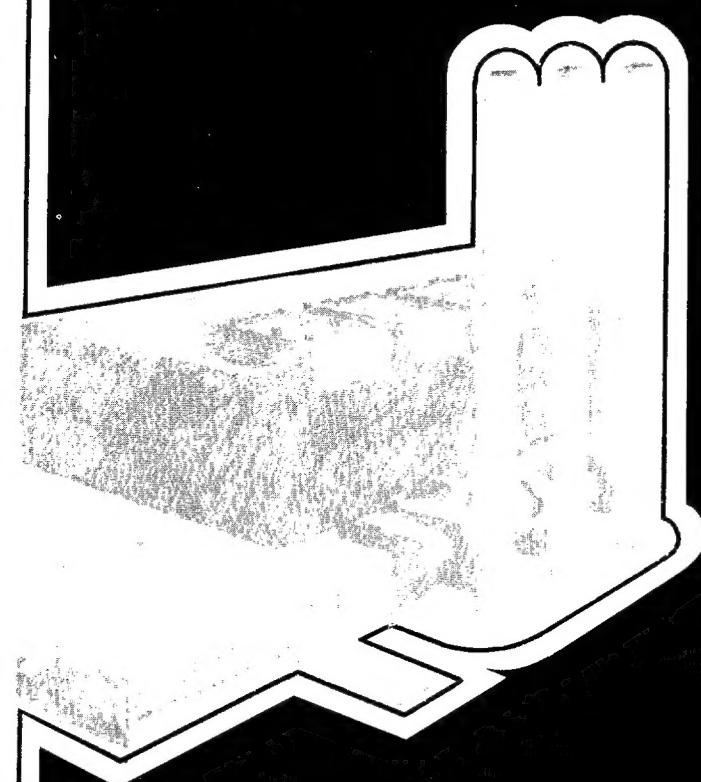


*The President's
Executive
Interchange
Program*





The Interchange Program

The President's Executive Interchange Program provides an opportunity for the interchange of managerial skills between the Federal Government and private sector of our nation.

Business executives, and other executives in the private sector, are selected for year-long

assignments in Government. Similarly, Government executives are selected for year-long assignments in the private sector.

THE BENEFITS

- Both the Federal Government and the private sector get the advantage of fresh thinking and a broader perspective on programs and problems.
- Innovative and effective management practices are transferred from one sector to the other; there is an opportunity to exchange ideas and expertise.
- Participants in the President's Executive Interchange Program grow professionally and personally—a growth that is of immediate benefit to the Government when Federal careerists return to their posts; a growth that is of potential value to the Government in the event private sector participants are asked to serve in governmental posts later in their careers.

Who Is Selected—And How

The President's Executive Interchange Program is for men and women in mid-career with high potential for advancement in the Federal Government. They must have:

- A proven record of management ability.
- Significant job accomplishments.
- Integrity and a high intellectual capacity.

There are no absolute age limits, but Interchange Executives are usually in the 30 to 40 age bracket.

Government executives chosen for the program usually earn between \$22,000 to \$36,000 a year. Salaries paid Interchange Executives are consistent with those earned just prior to the assignment.

NOMINATIONS

Interchange Executives from the Federal Government must be nominated by the head of their Federal agency.

INTERVIEWS. The President's Commission on Personnel Interchange reviews these nominations and selects candidates to be interviewed. These interviews are usually held in Washington, D.C., although occasionally they are arranged in other cities.

After Interchange Executive nominees are interviewed, those who meet requirements of the program are referred to the most appropriate host organizations for additional interviews.

The Commission pays travel expenses of nominees selected for these interviews. When Federal employees travel to an interview, reimbursement for travel expenses is made to the nominee's agency.

JOB-MATCHING. Matching Interchange Executives with the right assignments is perhaps the most important function of the President's Commission on Personnel Interchange. Accordingly, special care is taken to match the

background, skill, talent, interest and aptitude of nominees to the best possible private sector position.

Nominations are made to the Executive Director, President's Commission on Personnel Interchange, 1900 E Street, N.W., Washington, D.C. 20415. Nomination forms are available upon request.

Some Operational Considerations

PAY STATUS. An Interchange Executive assigned to the private sector is on leave-without-pay from his Federal agency.

The salary of these Interchange Executives is paid by the employing business or other private sector organization. Salaries are generally between \$22,000 and \$36,000 annually and are consistent with those earned just prior to the assignment.

MOVING EXPENSES. The Federal executive will be transferred to the location of his private sector assignment and then be placed on leave-without-pay status. Relocation expenses are payable on the same basis and in the same amount as in the case of any Government employee transferred in the interests of Government from one official duty station to another. When the Federal executive's private sector employment ends, he is placed on active duty status as a Government employee at the location of his private employment. The Federal agency will then pay the cost of moving the executive to his next Government assignment. The General Accounting Office has approved this procedure. Government travel and relocation allowances are satisfactory, but there are some expenses which may be incurred which will not be paid by the Government. Such expenses may be considered in determining pay of the Federal executive assigned to the private sector.

WITHIN-GRADE PAY INCREASES

Continuous leave-without-pay for more than 52 weeks forfeits time earned toward a within-grade increase before the leave was taken. Leave-without-pay postpones the next within-grade increase waiting period by approximately the period of the leave.

PROMOTIONAL OPPORTUNITIES

Interchange Executives on leave from a Federal agency must be considered for any promotional opportunities that the executive would normally be eligible for during the period. The President's Executive Interchange Program is a career development experience which should aid the executive in qualifying for promotion on return to the Federal agency.

HEALTH AND LIFE INSURANCE. If the participant is covered by life insurance and health benefits, his coverage will continue for up to 365 days of leave-without-pay. Neither the Federal employee nor the Federal agency make any financial contribution to these benefits during the leave-without-pay period. If the Presidential Executive is on leave-without-pay for more than 365 days, other arrangements must be made for health and life insurance.

RETIREMENT. Credit for service on leave-without-pay status is given for up to six months in any calendar year. Here are two examples of how this might work in the President's Executive Interchange Program. A year's leave-of-absence beginning July 1 and ending June 30 is fully credited toward retirement, since the span covers six months in each of two calendar years. If the leave-without-pay begins September 1 and terminates August 30, the following year, only ten months service would be credited.

VACATIONS, ANNUAL LEAVE AND SICK LEAVE. A Federal employee does not earn Federal annual or sick leave while working in the private sector. Interchange Executives will find it to their advantage to take accrued leave in excess

of 240 hours before going to the private sector assignment. Interchange Executives may qualify for vacation or other leave from the private sector employer; this must be determined on an individual basis with each private sector employer and should be agreed upon in advance of the assignment.

The Education Program

The educational program for Interchange Executives from the Federal Government introduces them to the philosophy, policies and operations of private sector organizations.

Before beginning work in a private sector organization, the Interchange Executive participates in a structured group session on the

private sector, which combines an academic approach and the practical experience of business executives.

During his work in the private sector, the Federal executive participates in middle-management training courses offered by the host. In areas where there are sufficient concentrations of Interchange Executives, group meetings are arranged with members of the President's Commission on Personnel Interchange, other business executives and other private sector leaders.

After completion of the private sector assignment, the Federal executives participate in a three-day group session with private sector executives to compare and evaluate experiences.

Avoiding Conflicts of Interest

In considering an Interchange Executive's assignment, the Commission staff carefully screens out any assignments that may lead to a conflict of interest situation.

If a question exists, the potential for conflict is explored with Federal agency officials. This could involve consultations with the agency's General Counsel, the General Counsel of the

Civil Service Commission or the Department of Justice. If a question remains, the assignment is not made.

The liaison officer of the host organization is directed to make continuing reviews of potential conflicts of interest. If at any time it is determined that a conflict appears to be developing, the Interchange Executive will be transferred to another assignment.

The Interchange Executive should become familiar with Federal conflict of interest laws.